

WAIS, Inc. Plan 95
Table of Contents
July 13, 1995

Brewster

- ✓ 1. Mission Statement
- ✓ 2. Corporate Philosophy
- 3. Market Description
 - Segments- products, services
 - Size
 - Competition
 - Customers
 - Technology Changes and Related Products
- 4. Corporate Strategies
 - ✓ Technology
 - ✓ Production Services
 - ✓ Partnering
 - Financing
- ✓ 5. Corporate Objectives
- 6. Products
 - Strengths and weaknesses/missing components
 - server
 - protocols
 - publishing services
 - Development Plan
- 7. Production Services
 - ✓ Business Development
 - ✓ Business Model
- ✓ 8. Marketing and Sales
- ✓ 9. Revenue Forecast
- 10. Organization
 - Organization Chart
 - ✓ Headcount Forecast
- ✓ 11. Budget
 - Revenue Forecast
 - P&L, Balance Sheet, Cash Flow
 - Department Budgets
 - Capital Expenditures

✓ Substantially done by Tuesday

WAIS, Inc. Plan 95
Corporate Mission

WAIS Inc. intends to dominate the market for tools and services for
electronic publishing on wide area networks

Wais, Inc. Plan 95
Company Philosophy
July 13, 1994

Above and beyond the company's mission, there are reasons why we choose to work at WAIS-- things that turn us on about what we do and what we hope to accomplish-- the common thread that we share that helps keep the fire in the belly going!

WAIS is not about saving trees or replacing books. It is about a new type of literature coming from people unleashed from the constraints of traditional publishing; we believe anyone can be a publisher.

By providing the personal access and dissemination through hierarchal networks, we are breaking through traditional constraints for information-- we are helping create a global, collective, distributed brain, a democracy of communities.

And..... we are helping people make money!

WAIS, Inc. Plan 95
Technology Strategy
July 7, 1994

The technology strategy which guide WAIS Inc. development, partnering and licensing efforts over the next 3 years is as follows:

Use in-house publishing systems to help drive technology development by maintaining a representative base of publishing systems, e.g. news, corporate presence etc.

Provide turn-key publishing systems for customers to run.

Incorporate the following components in products used for both in-house and customer publishing systems

1. SERVER COMPONENTS

The server and server related products are our primary product line. Our top technical priority is to develop, upgrade and interface these products with the leading protocols for electronic publishing and the leading databases, clients, other servers, and content preparation tools that together comprise a complete electronic publishing system.

- 1.1 **Document database** We will develop and maintain import capabilities for leading databases and will have at least one "recommended solution" database which we incorporate in our in-house and external publishing functions. To a limited extent, the basic server engine will include a limited database module for basic functions such as adding, deleting and changing records.
- 1.2 **Multiple platform support.** UNIX base systems will continue to be our primary platforms. We will pursue and encourage partnering and licensing relationships whereby the WAIS products are ported to Windows platforms and expanded to provide interfaces to CD-ROM electronic publishing.
- 1.3 **Document and Image Format Conversion.** Capabilities are currently limited but will be expanded through partnering and internal WAIS development projects to incorporate leading document and image formats such as Acrobat, MSWord, WordPerfect.
- 1.4 **Search Engine Evolution.** The WAIS, Inc. search engine will be evolved to provide more search features and capabilities such as----, faster searching, and multiple language capabilities. The evolution will be done by both incorporating enhancements from partnering and licensing deals as well as internal development.
- 1.5 **Large Document Handling.** SGML and other large document handling facilities will be added by partnering.
- 1.6 **Easy Data Importing.** The server will be enhanced to include an easy to use user interface for system administrators to use in managing how data is imported to the WAIS server

1.7 Authoring Tools. Interfaces for leading electronic document creation tools will be developed.

1.8 Security. The RSA security modules will be incorporated into the WAIS Server.

1.9 Reporting, Statistics and Billing. The current reporting and statistics capabilities will be expanded and interfaced with one or more partnered billing system modules.

2. PROTOCOLS.

Protocols represent one of most important industry leadership and product differentiation capabilities. It is crucial for WAIS, Inc. to maintain interfaces with all of the leading protocols and in the long term desirable to displace HTTP with Z39.50 as the dominant industry protocol.

Protocol modules will continue to be developed as a separate product which can be integrated with other search engines and servers and sold under royalty distribution agreements with partners.

We will drive the development and expansion of the Z39.50 protocol and will announce the WAIS, Inc. version of Z39.50 as a formal product announcement during FY95.

We will support other leading protocols such as HTTP by providing linkages through gateways with Z39.50 or by expanding WAIS, Inc. Z39.50 to incorporate the other protocols.

We will help proliferate Z39.50 by aggressively seeking partnering relationships with leading providers of client software.

3. CLIENT COMPONENTS

WAIS Inc. will not be in the client software business but will pursue the development of "showcase clients" which demonstrate the advantages of the WAIS Z39.50 protocol and will also pursue proliferation of the WAIS protocol with leading developers of client software.

WAIS, Inc. Plan 95
Production Services Strategy
July 7, 1994

WAIS, Inc.'s in-house publishing function provides content delivery over networks by providing turnkey production services on WAIS, Inc. servers. The publishing strategy is as follows:

1. Partner with content providers with name brand identity to provide revenue-sharing electronic publishing services.
2. Provide content marketing from name-brand recognition, the content provider's marketing efforts, and the product synergy offered on the WAIS, Inc. server. WAIS, Inc. marketing efforts will evolve to incorporate the marketing programs used for VARs, system integrators and other distribution partners. Marketing to end-users will be limited to the advertising programs which will eventually be incorporated into WAIS and WAIS customer publishing networks.
3. Expand the WAIS, Inc. product line and publishing tools to incorporate the specific needs of content partners.
4. Expand the scope of WAIS, Inc. publishing tools by working with system integrators, publishing partners and WAIS, Inc. development.

WAIS, Inc. Plan 95
Partnering Strategy
June 29, 1994

Partnering includes several types of relationships-- investment, joint ventures, co-marketing, bundling, product integration, co-distribution. WAIS, Inc. has or is pursuing partnership arrangements with the following :

Hardware companies: Intel, Apple, Sun
Client vendors: Ensemble, Apple-Search, Mosaic
Vertical App companies: Helpdesk, libraries, CD ROM publishers
Search engines: Fulcrum, Conquest, PLS
System Integrators: KPMG, Andersen Consulting, PRC, RJO, NZ
Publishers: DowJones, Encyclopedia Britannica, Scholastic, Westlaw
International: Fujitsu, EB Japan
Network distributors: AOL

The WAIS, Inc. partnering strategy is to concentrate on partnering relationships which offer the following:

1. **Enhancements to the technology base.** Partners who can provide WAIS Inc. access to technology components which expand or improve the ability of WAIS, Inc. to deliver complete, turnkey Electronic Publishing Systems. Access for WAIS, Inc. can be via licensing the partner's technology, rights to technology based upon joint development efforts, VAR arrangements, Systems Integrator capabilities, etc.
2. **Expansion of distribution capabilities.** Partners who have large-scale distribution potential, access to foreign markets, access to domestic niche markets, or significant turnkey installation or VAR capabilities are examples of desirable partners.
3. **Defacto standard potential.** Companies who are so well known in a publishing category, have a very large installed customer base, or are pursuing a clearly leading edge implementation of electronic publishing are examples of potential partners who can offer WAIS, Inc. almost instant acceptance as the industry leader in a particular facet of the electronic publishing industry.

WAIS, Inc. Plan 95
Corporate Objectives
July 13, 1994

1. **Evolve the technology to insure that it is current, complete and provides the basis for dominating the Wide Area Network Publishing Industry as measured by:**

PROTOCOLS

- 1.1 Publishing a Protocol Proliferation Plan by August 1, 1994
- 1.2 Publishing a Protocol Design document by August 15, 1994 which addresses how alternative protocols can be integrated or replaced
- 1.3 Submitting a WAIS Z39.50 standard proposal to the standards committee by September 15, 1994
- 1.4 Signing protocol licensing deals which provide WAIS, Inc. with royalty or per unit revenue --

Q1 95	2
Q2 95	2
Q3 95	3
Q4 95	3
- 1.5 Releasing version two of the Z39.50 protocol by December 31, 1994

PRODUCTION SERVICES

- 1.6 Publishing a design for a complete "turnkey" wide area network publishing system The design should identify missing components and procedures. The design has the following segments and target dates:
 - a. **Network Publishing Business Process** -- the sequence of events for a customer to bring up a WAIS publishing system, includes steps such as sales steps, prototypes, design effort, database conversion, testing, etc. by August 1, 1994
 - b. **Network Publishing Technical Design.**--the software and hardware components of the system by September 1, 1994
 - c. **Network Publishing Operational Design.**--the daily, weekly and monthly operational processes for the content provider and the WAIS, Inc. data center by September 1, 1994
- 1.7 Having in-house and smoothly operational the first two publishing service bureau operations by September 1, 1994.
- 1.8 Announcing a complete, scalable turnkey publishing capability by September 1, 1994

1.9 Signing and bringing on line new production services deals

	<u>Sign</u>	<u>On-Line</u>	<u>Total</u>
1994	2		
Q1 95	2		
Q2 95	4	2	2
Q3 95	5	2	4
Q4 95	6	4	8

CLIENT TECHNOLOGY

1.10 Identifying by July 15, 1994, five of the top client development companies to target as marketing, co-development and demonstration partners and having signed letter of intent partnership arrangements with at least three by December 31, 1994.

1.11 Developing and having available to market a client tool-kit for Z39.50v2 by September 1, 1994, WAIS Z39.50V2 by March 30, 1995

1.12 Developing or partnering a Client prototype by December 15, 1994 which demonstrates the advantages of the WAIS Z39.50 protocol

1.13 Having a client development partner ship a new client program which incorporates the WAIS Z39.50 protocol by June 30, 1995

SERVER TECHNOLOGY

1.14 Having available for shipment the 2.0 release of the WAIS server by September 30, 1994

1.15 Completing the Network Publishing Technical Design (server release 3.0) by September 1, 1994 (same as 1.6b above)

1.16 Having the server release 3.0 installable by June 30, 1995

2. Achieve 1995 revenue goals as measured by quarterly revenues (1,000's) of:

	<u>Products</u>	<u>Services</u>	<u>Total</u>
Q1 95	\$330	\$170	\$500
Q2 95	\$470	\$230	\$700
Q3 95	\$540	\$260	\$800
Q4 95	..\$670	\$330	\$1,000
totals	\$2,010	\$990	\$3,000

3. Establish a distribution process for products and services which provides WAIS access to key national and international markets as measured by:

3.1 Having in place the telesales process and staff to sell two servers per week by August 10, 1994

3.2 Having the telesales group at a run rate of \$100k per month for the months of October 1994-December 1994

3.3 Having the telesales group at a run rate of \$150K per month for the months of January-June 1995

- 3.4 Having signed agreements with six U.S. VARs by January 1, 1995
- 3.5 Having signed agreements with 24 U.S. VARs by June 30, 1995
- 3.6 Having defined and functioning a VAR support process by January 15, 1995
- 3.7 Having signed distribution agreements with at least 3 International Distributor/VARs by January 1, 1995
- 3.8 Having identified and profiled the top 10 Systems Integrators for electronic publishing by January 1, 1995.
- 3.9 Having partnering agreements with at least 3 of the Systems Integrators capable of winning multi-million dollar contracts by January 1, 1995.
- 3.10 Having begun joint design and installation projects with at least two systems integrators (as defined by 3.9) by March 1, 1995.
- 3.12 Having defined the U.S. Federal Government Business Development Process by October 1, 1994 and having consolidated or staffed the office by January 1, 1995.
- 3.12 Having defined a strategy for the telesales role for Production Services by December 1, 1994 for implementation by February 1, 1995.

4. Implement a partnering program which insures focus on appropriate partners as defined by the Partnering Strategy document as measured by:

- 4.1 Signing distribution agreements by December 31, 1994 with international partners who can offer access to the largest Asian and largest European markets.
- 4.2 Obtaining a commitment from at least two significant systems integrators by October 31, 1994 to make the WAIS, Inc. technology a significant component of their electronic publishing integration strategy.

5. Put in place the organizational structure which can take the company through the next two years of rapid growth as measured by:

- 5.1 Hiring a VP/Director of Development by August 30, 1994
- 5.2 Hiring a COO by

WAIS, Inc. Plan 95

Production Services

July 13, 1994

Business Development

The WAIS, Inc. Production Services facility provides turnkey electronic publishing services for a variety of different types of customers. There are two broad categories of services and potential arrangements:

- **Partnering Accounts:** Generally subscription based revenue to the WAIS, Inc. publishing partner with WAIS Inc. participating in the revenue stream. Potential partnering accounts this year include
DowVision
Dow Jones II
Inmac
Crawford/Playboy
Datapro
Reuters
New York Times
- **Service Accounts.** May or may not be subscription based services, WAIS, Inc provides the turnkey service for a monthly fee from the partner. The fee will in general have a minimum and will increase in proportion to workload/volume. Potential service accounts this year include:
Times Inc.
Inmac
Chronicle of Higher Education
Intel
Prentice Hall
University of Illinois

The business model outline which follows shows the volume, revenue and support staff assumptions for service and partnering accounts.

Production Services Business Model

Staffing needs												
Systems administrat	0.0	0.0	0.1	0.3	0.3	0.3	0.3	0.5	0.5	0.6	0.9	1.0
Development manag	0.0	0.0	0.2	0.5	0.5	0.5	0.5	1.0	1.0	1.2	1.7	1.8
Account manager	0.0	0.0	0.0	0.4	0.4	0.4	0.4	0.8	0.8	0.8	1.1	1.1

	Service accounts	
May not be subscription based	Staffing capacity	8
Monthly fee to WAIS 5,000	Systems administrator	6
Less support & marketing	Development manager	8
	Account manager	
	Lead time (months)	4
	Implementation fee	\$50,000

[illegible]

WAIS, Inc. Plan 95
Marketing and Sales
July 13, 1994

WAIS, Inc. is in the process of establishing a marketing and sales department which is responsible for corporate-wide revenues as described in section 2 of the Corporate revenues

. Achieve 1995 revenue goals as measured by quarterly revenues (1,000's) of:

	<u>Products</u>	<u>Services</u>	<u>Total</u>
Q1 95	\$330	\$170	\$500
Q2 95	\$470	\$230	\$700
Q3 95	\$540	\$260	\$800
Q4 95	<u>\$670</u>	<u>\$330</u>	<u>\$1,000</u>
totals	\$2,010	\$990	\$3,000

Section 3 of the Corporate Objectives sets out a number of milestones for the Marketing & Sales Department to accomplish in order to establish a distribution process which will insure access to national and international markets. These objectives include setting up an efficient tele-sales function, establishing VAR and Systems Integrator programs, and formalizing approach for developing access to Federal Government work.

Marketing Programs

The Corporate Objectives address primarily sales and distribution activities. There are a number of marketing tasks which must be accomplished during the year to provide the supporting materials, sales leads, and tools for sales and distribution activities. These marketing tasks include the following:

- 1. White papers for Customers.** There are several recurring questions that come up in the sales process for WAIS, Inc. products and services. A consistent way of answering these questions to take advantage of the WAIS, Inc. technology is needed and will be documented in the a series of "white papers" to include the following:
 - The Post it Once Solution. publisher/server benefits and cost savings
 - The Wire Once Solution. A strategy for publishers to support multiple clients and evolving protocols
 - Success Stories. Three different production service customers from different application areas: a classic publisher, a catalogue company, a customer service/help desk
 - The Danger of Single Access to the Internet. World Wide Webb is hot-- what happens when the next set of standards and protocols emerge?
 - WAIS, Inc. Z39.50 Vs other Z39.50 implementations
 - Why WAIS offers the best HTTP server
 - Considerations for Publishing on the Internet. a discussion of the benefits of using the WAIS, Inc. Production Services to provide a turnkey Internet presence

In addition to the new white papers described above, there are several older documents presently in use which can be updated or further evolved.

2. **White Papers for Internal Use** These include profiles of competitors, potential partners and systems integrators. Significant competitors include: Fulcrum, ConQuest, BRS(Dataware), PLS, Verity and Excalibur. Systems integrators include EDS, Andersen Consulting, KPMG, Computer Sciences, ISSC (IBM),.
3. **Brochures.** Some of the content from white papers and other sales aides will be evolved to more formal, professional collateral material for use in shows and other promotional efforts. Potential brochures include:
 - A "picture" of WAIS, Inc. products to depict the product line components (Custom Parser Toolkit, Indexer, Search and Retrieval , WAISgate, WAISgate forwarder, etc.).
 - The Benefits of Wire Once and Post It Once.
4. **Seminars.** WAIS, Inc. sponsored or jointly sponsored with VARs, Integrators and Distributors (for their customers) Two sets of topics for the year
 - History, the need for archiving and indexing (the product), and the relationships between good client and server software.
 - What's happening on the Internet. Specific applications and guest speakers (Dow Jones, Encyclopedia Britannica, Scholastic), demonstrations, and a presentation of the post it once approach
5. **Spreading the Word.** Once materials are in place, then an organized approach for disseminating the message through a variety of alternatives will be organized to include a PR firm, newspaper and magazine articles, speaking engagements, advertising, etc.